

## CHAPTER 371

## REINSURANCE FROM FOREIGN OR ALIEN COMPANIES

## H. F. 71

AN ACT relating to the accreditation of certain reinsurance purchased by Iowa companies from foreign or alien insurance companies.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section five hundred fifteen point forty-seven (515.47),  
2 Code 1966, is hereby amended as follows:

3 1. Subsection one (1) is hereby amended by striking all of such sub-  
4 section after the word "reinsurance" in line six (6) and inserting in  
5 lieu thereof the following: "as provided for in section five hundred  
6 fifteen point forty-nine (515.49) of the Code."

7 2. Subsection two (2) is hereby amended by striking all of such  
8 subsection after the word "reinsurance" in lines seven (7) and eight  
9 (8) and inserting in lieu thereof the following: "as provided for in  
10 section five hundred fifteen point forty-nine (515.49) of the Code."

11 3. Subsection three (3), lines eight (8) and nine (9), is hereby  
12 amended by striking the words "in authorized companies or associa-  
13 tions" and inserting in lieu thereof the following: "as provided for in  
14 section five hundred fifteen point forty-nine (515.49) of the Code".

15 4. Subsection four (4), lines seven (7) and eight (8), is hereby  
16 amended by striking the words "in authorized companies or associa-  
17 tions" and inserting in lieu thereof the following: "as provided in  
18 section five hundred fifteen point forty-nine (515.49) of the Code".

19 5. Subsection six (6), lines seven (7) and eight (8), is hereby  
20 amended by striking the words "in authorized companies or associa-  
21 tions" and inserting in lieu thereof the following: "as provided for in  
22 section five hundred fifteen point forty-nine (515.49) of the Code".

1 SEC. 2. Section five hundred fifteen point forty-nine (515.49),  
2 subsection seven (7), Code 1966, is hereby amended by striking lines  
3 twelve (12) through twenty-one (21) of said subsection and inserting  
4 in lieu thereof the following:

5 "No company shall expose itself to loss on any one risk or hazard to  
6 an amount exceeding ten percent of its surplus to policyholders: (1)  
7 unless the excess shall be reinsured in some other good and reliable  
8 company licensed to do an insurance business in this state, but in no  
9 case shall such excess reinsurance exceed ten percent of the capital of  
10 the reinsuring company, and a certificate of such reinsurance shall be  
11 furnished to the insured; or (2) unless the excess shall be reinsured  
12 by a group of individual unincorporated insurers who are authorized  
13 to transact an insurance business in at least one state of the United  
14 States and who possess assets which are held in trust for the benefit  
15 of the American policyholders in the sum of not less than fifty million  
16 dollars, and a certificate of such reinsurance shall be furnished to the  
17 insured."

1 SEC. 3. Section five hundred fifteen point fifty (515.50), Code  
2 1966, is hereby amended by striking from lines three (3) and four (4)  
3 the words "in companies only authorized to do business in this state"  
4 and inserting in lieu thereof the following: "in companies or groups

5 authorized to do business in this state, as set forth in section five  
6 hundred fifteen point forty-nine (515.49) of the Code".

1 SEC. 4. Section five hundred twenty-one point thirteen (521.13),  
2 Code 1966, is hereby repealed and the following is enacted in lieu  
3 thereof:

4 "No company or companies as described in section five hundred  
5 twenty-one point one (521.1) of the Code shall consolidate or reinsure  
6 except insofar as provided by section five hundred fifteen point forty-  
7 nine (515.49) of the Code with any other company or companies not  
8 authorized to transact business in this state."

Approved April 28, 1967.

## CHAPTER 372

### MORTGAGE GUARANTY INSURANCE

S. F. 56

AN ACT relating to mortgage guaranty insurance.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section five hundred fifteen C point one (515C.1),  
2 Code 1966, is hereby amended by inserting in line eight (8) after the  
3 word "estate" the words "or on an owner-occupied mobile home".

1 SEC. 2. Section five hundred fifteen C point five (515C.5), Code  
2 1966, is hereby amended by striking the last sentence in said section  
3 and inserting in lieu thereof the following:

4 "Coverage may be provided only if the properties in such tract are  
5 residential buildings, buildings designed for occupancy by not more  
6 than four (4) families, or owner-occupied mobile homes."

1 SEC. 3. Section five hundred fifteen C point eight (515C.8), Code  
2 1966, is hereby amended by inserting in line five (5) after the word  
3 "dwellings" the words "and owner-occupied mobile homes,".

Approved May 11, 1967.

## CHAPTER 373

### MORTGAGE LIABILITY INSURANCE

H. F. 236

AN ACT relating to the contingency reserve and coverage of mortgage liability insurance.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section five hundred fifteen C point four (515C.4),  
2 Code 1966, is amended by striking lines one (1) through eleven (11)